

(1) MAKES ANY MATERIAL MISSTATEMENT IN AN APPLICATION FOR A LICENSE;

(2) IN CONNECTION WITH ANY SECONDARY MORTGAGE LOAN TRANSACTION:

(I) COMMITS ANY FRAUD;

(II) ENGAGES IN ANY DISHONEST ACTIVITIES;
OR

(III) MISREPRESENTS OR FAILS TO DISCLOSE ANY MATERIAL FACTS TO ANYONE ENTITLED TO THAT INFORMATION;

(3) VIOLATES ANY PROVISION OF THE MARYLAND SECONDARY MORTGAGE LOAN LAW OR OF ANY RULE OR REGULATION ADOPTED UNDER IT; OR

(4) OTHERWISE DEMONSTRATES UNWORTHINESS, BAD FAITH, DISHONESTY, OR ANY OTHER QUALITY THAT INDICATES THAT THE BUSINESS OF THE LICENSEE HAS NOT BEEN OR WILL NOT BE CONDUCTED HONESTLY, FAIRLY, EQUITABLY, AND EFFICIENTLY.

REVISOR'S NOTE: This section is new language derived without substantive change from the provisions of Art. 66, § 50 that deal with the power of the Bank Commissioner to suspend or revoke licenses.

The present statement that the Bank Commissioner may "refuse to renew [a license]" for the specified reasons is deleted as unnecessary in practice and misleading. Under § 12-317 of this subtitle, a hearing would be required before any of the actions specified under this section may be taken. As a consequence, there never would be an occasion under this section for the Bank Commissioner to refuse to renew a license, because the Bank Commissioner always would be obliged to grant a renewal pending the hearing and a subsequent finding that the licensee committed one of the acts specified in this section. Once such a finding is made, the power of the Bank Commissioner to suspend or revoke the license would suffice to achieve the intent of the present statute. However, this revision is not intended to have any effect on the power of the Bank Commissioner summarily to suspend a license under certain circumstances, as provided in the Administrative Procedure Act. See Art. 41, § 250A(c) of the Code.

The present provisions of Art. 66, § 50 that relate to notice and hearing now appear in § 12-317 of this subtitle.

12-317. HEARINGS.